

CONFIDENTIAL

#83

EAST EUROPE BRANCH NOTES    OCI #0589/74  
20 June 1974

HUNGARY

Press Coverage of Mideast Visit

The US Embassy in Budapest reports that the Hungarian press has given relatively extensive and objective coverage to President Nixon's mideast tour. It considers the press treatment much more positive than that given to Secretary Kissinger's troop disengagement efforts.

Most papers carried reports of the President's enthusiastic reception in Egypt. The Hungarian news service on June 13 quoted an Egyptian saying the the visit "will contribute to creation of a just and lasting peace in Mideast." Mildly negative comments included some sarcastic references to the "abrupt" change in US policy, but according to the Embassy, there has been a remarkable absence of earlier warnings that the US is intent on undermining progressive Arab regimes.

25X1

CZECHOSLOVAKIA

Labor Shortages Plague Slovak Industrial Development

Despite significant growth in Slovakia's principal industries, the industrial sector in general is experiencing shortfalls in expected rates of development because of an increasing number of equipment breakdowns, difficulties in getting new production processes into operation, and a shortage of labor.

Labor shortages pose the most serious problem. Although Czech technology can to some extent offset reduced productivity by improving efficiency and replacing manpower with machines, Czechoslovak demographic trends are unlikely to produce the larger labor force that is needed. Birthrates are declining, the average age of the labor force is going up and the percent of women in the total labor force is already high (47.4% in 1972). It is also unlikely that

25X1

State Dept. review completed

CONFIDENTIAL

CONFIDENTIAL

-2-

foreign sources of labor will be an alternative in view of the general absence of labor mobility among the East European countries.

These factors have nationwide implications. Their effects may be more profound in Czech lands than in Slovakia. The higher levels of industrialization in Bohemia and Moravia currently utilize much sophisticated technology and require ever-increasing amounts of highly trained labor. 25X1

--	--	--

CONFIDENTIAL